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DEPARTMENT OF COMMERCE

International Trade Administration

[C-549-836]

Rubber Bands from Thailand: Final Negative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are not being provided to producers and exporters of rubber bands from Thailand. The period of investigation is January 1, 2017, through December 31, 2017.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Emily Halle or Shanah Lee, AD/CVD

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202-482-0176 or 202-482-6386, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 9, 2018, Commerce published the *Preliminary Determination* of this countervailing duty (CVD) investigation and invited interested parties to comment.¹ A summary of the events that occurred since the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum,

¹ See *Rubber Bands from Thailand: Preliminary Negative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 83 FR 31728 (July 9, 2018) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

which is hereby adopted by this notice.² The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and is available to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Commerce exercised its discretion to toll all deadlines affected by the partial shutdown of the federal government from December 22, 2018, through January 29, 2019.³ The revised deadline for the final determination is now February 28, 2019.

Period of Investigation

The period of investigation is January 1, 2017, through December 31, 2017.

Scope of the Investigation

The products covered by this investigation are rubber bands from Thailand. For a full description of the scope of this investigation, *see* the "Scope of the Investigation" in Appendix I of this notice.

Scope Comments

² See Memorandum, "Decision Memorandum for the Final Negative Countervailing Duty Determination of Rubber Bands from Thailand," dated concurrently with this notice (Issues and Decision Memorandum).

³ See Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019.

During the course of this investigation and the concurrent antidumping duty (AD) investigation, Commerce received scope comments from interested parties. Subsequent to the *Preliminary Determination*, we issued a Preliminary Scope Decision Memorandum.⁴ Certain interested parties commented on the scope of the investigation as it appeared in the Preliminary Scope Decision Memorandum. Commerce addressed all scope comments received in the Final Scope Decision Memorandum and determined not to make changes to the scope that appeared in the *Preliminary Determination*.⁵

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice at Appendix II.

Changes Since the *Preliminary Determination*

We made an adjustment to the sales denominator of Liang Hah Heng based on minor corrections presented at verification. We also corrected an error made in the *Preliminary Determination* to include total sales to all markets of Liang Hah Heng's cross-owned affiliate when determining the appropriate sales denominator for Liang Hah Heng. These adjustments, however, did not change the overall subsidy rates for both respondents. Thus, the subsidy rates for both respondents remain unchanged from the *Preliminary Determination*. See the Issues and Decision Memorandum.

⁴ See Memorandum "Rubber Bands from the People's Republic of China and Thailand: Scope Comments Decision Memorandum for the Preliminary Antidumping Duty and Countervailing Duty Determinations," dated August 29, 2018 (Preliminary Scope Decision Memorandum).

⁵ See Memorandum, "Rubber Bands from the People's Republic of China and Thailand: Scope Decision Memorandum for the Final Antidumping Duty and Countervailing Duty Determinations," dated November 13, 2018 (Final Scope Decision Memorandum).

Final Determination

In accordance with section 705(c)(1)(B)(i)(I) of the Act, we have calculated individual rates for the two producers/exporters of subject merchandise that are under investigation. We determine that the total net countervailable subsidy rates are as follows:

Company	<i>Ad Valorem Rate</i>
Liang Hah Heng International Rubber Co., Ltd. (Liang Hah Heng)	0.23% <i>de minimis</i>
U. Yong Industry Co., Ltd. (U. Yong Industry)	0.37% <i>de minimis</i>

Commerce has not calculated an all-others rate because it has not reached an affirmative final determination. In the *Preliminary Determination*, the total net countervailable subsidy rates for the two companies were *de minimis* and, therefore, we did not suspend liquidation. Because the rates for the two companies remain *de minimis*, we are not directing U.S. Customs and Border Protection to suspend liquidation of entries of rubber bands from Thailand.

Disclosure

Commerce intends to disclose to interested parties its calculations and analysis performed in this final determination within five days of any public announcement in accordance with 19 CFR 351.224(b).

International Trade Commission (ITC) Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. As our final determination is negative, this proceeding is terminated.

Notification Regarding Administrative Protective Orders

This notice serves as the only reminder to parties subject to Administrative Protective Order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Failure to comply is a violation of the APO.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Dated: February 28, 2019.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The products subject to this investigation are bands made of vulcanized rubber, with a flat length, as actually measured end-to-end by the band lying flat, no less than ½ inch and no greater than 10 inches; with a width, which measures the dimension perpendicular to the length, actually of at least 3/64 inch and no greater than 2 inches; and a wall thickness actually from 0.020 inch to 0.125 inch. Vulcanized rubber has been chemically processed into a more durable material by the addition of sulfur or other equivalent curatives or accelerators. Subject products are included regardless of color or inclusion of printed material on the rubber band's surface, including but not limited to, rubber bands with printing on them, such as a product name, advertising, or slogan, and printed material (*e.g.*, a tag) fastened to the rubber band by an adhesive or another temporary type of connection. The scope includes vulcanized rubber bands which are contained or otherwise exist in various forms and packages, such as, without limitation, vulcanized rubber bands included within a desk accessory set or other type of set or package, and vulcanized rubber band balls. The scope excludes products that consist of an elastomer loop and durable tag all-in-one, and bands that are being used at the time of import to fasten an imported product.

Excluded from the scope of this investigation are vulcanized rubber bands of various sizes with arrow shaped rubber protrusions from the outer diameter that exceeds at the anchor point a wall thickness of 0.125 inches and where the protrusion is used to loop around, secure and lock in place.

Excluded from the scope of this investigation are yarn/fabric-covered vulcanized rubber, hair bands, regardless of size.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 4016.99.3510. Merchandise covered by the scope may also enter under HTSUS subheading 4016.99.6050. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the Investigation
 - IV. Subsidies Valuation
 - V. Use of Facts Otherwise Available and Adverse Inferences
 - VI. Analysis of Programs
 - VII. Discussion of the Issues
 - VIII. Recommendation
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